



State of Wisconsin  
2023 - 2024 LEGISLATURE

LRB-0845/1  
CMH:amn

## 2023 SENATE JOINT RESOLUTION 106

February 7, 2024 - Introduced by Senator MARKLEIN, cosponsored by Representative KATSMAN. Referred to Committee on Universities and Revenue.

- 1     **To amend** section 5 of article VIII of the constitution; **relating to:** accounting and  
2             expenditure of state funds and reduction of deficit (first consideration).

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***Analysis by the Legislative Reference Bureau***

This constitutional amendment, proposed to the 2023 legislature on first consideration, requires the state to account for and report all funds it receives or expends in accordance with generally accepted accounting principles (GAAP).

The amendment further authorizes the legislature to establish the budgetary basis of accounting, requires that any deficit of a state fund affected by a budget bill be reduced annually by 10 percent of any projected increase in tax revenues in that fund, and requires that, once the deficit is eliminated, the legislature may not pass any bill that would result in a projected deficit.

A constitutional amendment requires adoption by two successive legislatures, and ratification by the people, before it can become effective.

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3             ***Resolved by the senate, the assembly concurring, That:***

4             **SECTION 1.** Section 5 of article VIII of the constitution is amended to read:

5             [Article VIII] Section 5. The legislature shall provide for an annual tax  
6             sufficient to defray the estimated expenses of the state for each year; and whenever  
7             the expenses of any year shall exceed the income, the legislature shall provide for

1 levying a tax for the ensuing year, sufficient, with other sources of income, to pay the  
2 deficiency as well as the estimated expenses of such ensuing year. The legislature  
3 may establish the basis of accounting to be used for budget purposes. In addition to  
4 the statutory basis of accounting, the state shall account for and report all moneys  
5 it receives or spends, including but not limited to component units, in accordance  
6 with generally accepted accounting principles. The legislature may not pass any bill  
7 that would cause an increase in the projected deficit in any state fund under  
8 generally accepted accounting principles. The legislature shall pass an annual or  
9 biennial budget bill that is projected to reduce any existing deficit in any state fund  
10 that is affected by the budget bill reported under generally accepted accounting  
11 principles by at least one-tenth of any projected annual increase of tax revenues  
12 deposited in that state fund in each fiscal year. Once any deficit in a state fund under  
13 generally accepted accounting principles is eliminated, the legislature may not pass  
14 any bill affecting that fund that would result in a projected deficit in that state fund  
15 under generally accepted accounting principles.

16 ***Be it further resolved, That*** this proposed amendment be referred to the  
17 legislature to be chosen at the next general election and that it be published for three  
18 months previous to the time of holding such election.

19 (END)